

## Explanation of Codes

### Box 1. Income code.

	Code	Types of Income			
Interest	01	Interest paid by U.S. obligors—general	15	Scholarship or fellowship grants	
	02	Interest paid on real property mortgages	16	Compensation for independent personal services <sup>1</sup>	
	03	Interest paid to controlling foreign corporations	17	Compensation for dependent personal services <sup>1</sup>	
	04	Interest paid by foreign corporations	18	Compensation for teaching <sup>1</sup>	
	05	Interest on tax-free covenant bonds	19	Compensation during studying and training <sup>1</sup>	
	29	Deposit interest	20	Earnings as an artist or athlete <sup>2</sup>	
	30	Original issue discount (OID)	24	Real estate investment trust (REIT) distributions of capital gains	
Dividend	31	Short-term OID	25	Trust distributions subject to IRC section 1445	
	33	Substitute payment—interest	Other	26	Unsevered growing crops and timber distributions by a trust subject to IRC section 1445
	06	Dividends paid by U.S. corporations—general		27	Publicly traded partnership distributions subject to IRC section 1446
	07	Dividends qualifying for direct dividend rate		28	Gambling winnings <sup>3</sup>
08	Dividends paid by foreign corporations	32		Notional principal contract income <sup>4</sup>	
34	Substitute payment—dividends	35		Substitute payment—other	
40	Other U.S. source dividend equivalents under IRC section 871(m) (formerly 871(l))	36		Capital gains distributions	
Other	09	Capital gains		37	Return of capital
	10	Industrial royalties		38	Eligible deferred compensation items subject to IRC section 877A(d)(1)
	11	Motion picture or television copyright royalties		39	Distributions from a nongrantor trust subject to IRC section 877A(f)(1)
	12	Other royalties (for example, copyright, recording, publishing)		41	Guarantee of indebtedness
	13	Real property income and natural resources royalties		50	Other income

See back of Copy D for additional codes

<sup>1</sup> If compensation that otherwise would be covered under Income Codes 16 through 19 is directly attributable to the recipient's occupation as an artist or athlete, use Income Code 20 instead.

<sup>2</sup> If Income Code 20 is used, Recipient Code 09 (artist or athlete) should be used instead of Recipient Code 01 (individual), 02 (corporation), or 03 (partnership other than withholding foreign partnership).

<sup>3</sup> Subject to 30% withholding rate unless the recipient is from one of the treaty countries listed under *Gambling winnings (Income Code 28)* in Pub. 515.

<sup>4</sup> Use appropriate Interest Income Code for embedded interest in a notional principal contract.